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E.O. 12958: N/A

TAGS: ECON ETRD KIPR RS

SUBJECT: RUSSIA IPR: OUTSPOKEN LIBERAL LEGISLATOR ON CIVIL  
CODE PART IV

**¶1.** (U) This message is sensitive but unclassified. Not intended for Internet distribution.

**¶2.** (SBU) Summary. Federation Council Senator Ludmila Narusova shares our sense that the Duma will likely pass a flawed Part IV of the Civil Code this fall. She intends to speak to Putin about her concerns, but warned that he keeps his own counsel. The relevant Duma Committee met to consider proposed draft amendments October 19. End Summary.

**¶3.** (U) EconOffs met October 18 with Ludmila Narusova to discuss Part IV of the Civil Code. Narusova is the widow of former St. Petersburg mayor and friend of Putin, Anatoliy Sobchak. As Chair of the Federation Council's Committee on Information Policy, Narusova has been an outspoken critic of Part IV. During the October 5 Duma hearing on the draft legislation, she challenged the drafters' assertion that international experts didn't understand Russia's situation, and called on the Duma to take its time in considering the law.

**¶4.** (SBU) Narusova opined that the deputies are following the old Soviet tradition of rushing to carry out the perceived wish of the country's leader without questioning the substance of the proposal. While agreeing that Part IV should conform to WTO and other international IP standards, she nevertheless expects a quick adoption of the flawed legislation and a lengthy amendment process down the road. She intends to speak to Putin about the problems in Part IV soon. She cautioned, however, that the President keeps his own counsel and has ignored her advice in the past.

**¶5.** (SBU Comment. On Part IV of the Civil Code, Narusova and many other politicians agree that hasty passage of a flawed text will only provoke a lengthy revision effort. Surprisingly few, however, are willing to predict that common sense will prevail and consideration of the draft text will be slowed down for a thorough examination. The Embassy will, however, continue to keep pressing for just that.

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